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development of society in Europe. There might have been partial compensations. Rarely is any moral theory of life wholly wrong. The church's condemnation of usury is in a measure justified, or given a more rational aspect, on the ground that there was no field for investment, and that consequently the possessor of capital suffered no loss from a well secured but gratuitous loan. But surely among the obstacles in the way of the development of a field for investment was the hostile attitude of the church against gain. It disapproved of gain and in general of any economic effort beyond extractive industry and the simpler forms of manufacture. Thus the teaching of the church was in part responsible for the condition which is cited as justifying that teaching.

The second volume of this work is announced for publication this season. Mr. Ashley has recently accepted a professorship in the University of Toronto and thus joins the ranks of American economists, by whom his accession will be welcomed.

EDWARD G. BOURNE.

Œuvres économiques et philosophiques de F. Quesnay, fondateur du Système Physiocratique: accompagnées des éloges et d'autres travaux biographiques sur Quesnay. Par AUGUSTE ONCKEN. Francfort s/M., Joseph Baer, 1888. — Large 8vo, xxiv, 814 pp.

Dupont de Nemours et l'École Physiocratique. Par G. SCHELLE, Paris, Guillaumin, 1888. — Large 8vo, 456 pp.

Turgot. Par LÉON SAY, de l'Académie Française. Paris, Hachette, 1887. — 12mo, 208 pp.

Turgot. By LÉON SAY, of the French Academy. Translated by MELVILLE B. ANDERSON. Chicago, A. C. McClurg, 1888. — 12mo, 231 pp.

It is remarkable that a system of economics so important in its time as that of the Physiocrats should never yet have received a careful exposition, much less a successful refutation. Adam Smith indeed devotes several chapters of his great work to a review of their doctrines, but the discussion is very defective. Adam Smith himself, moreover, was in one sense a Physiocrat. Although he opposed their doctrine of a single land tax and of agriculture as the sole source of wealth, he shared with them the cardinal doctrines of natural law and of natural liberty, even if his Scotch common sense led him to temper here and there their extravagant assertions. But Smith was under deeper obligations to the Physiocrats than many imagine. It is well known that he was a student of

Quesnay in Paris, and that his intention to dedicate the *Wealth of Nations* to his old friend and master was frustrated only by Quesnay's sudden death. But what is not so commonly known is that not only whole sentences, but whole paragraphs of Smith's work, are taken almost *verbatim* from the works of the Physiocrats, especially Quesnay and Turgot: so the celebrated four maxims of taxation; so the discussion of the division of labor, and the very example used by Smith, that of the pin manufacture with its divisions into eighteen operations; so the vital parts of the discussion of wages and of profits, of natural price and value. It is not an exaggeration to say that a great part of orthodox political economy owes its origin and even its present shape to the labors of the Physiocrats.

Hitherto we have had to depend mainly on the Guillaumin two-volume collection of the chief writers and on Dupont de Nemours' great edition of Turgot's writings. Complete editions of the works of the two founders — Quesnay and Gournay — have been lacking. In the case of Quesnay this lack is now supplied by the sumptuous collection of Professor Oncken. The text, of course, is printed in French, and the preface and the notes of Dr. Oncken are also written in that language. In his little work, *Die Maxime Laissez faire et laissez passer*, which was reviewed in the *QUARTERLY* for December, 1887 (volume ii, p. 706), Professor Oncken already manifested a thorough acquaintance with the details of the Physiocratic doctrines. The extent of his researches is seen in the present volume; for not only has he collected Quesnay's writings from every possible source, — the *Encyclopédie*, the *Journal de l'Agriculture*, the *Ephémérides du Citoyen*, the *Mémoires de l'Académie Royale*, etc., but he has added numerous explanatory notes giving interesting detailed information from out of the way quarters. The result is a compilation which must remain the standard work on the topic, and whose only glaring fault is the entire lack of an index.

In this edition of the work of "*mon penseur*," as Louis XV was wont to call Quesnay, three points arrest the attention. The first is the evident inability of the editor — or, for that matter, of any one else — to give a lucid explanation and defence of the work of "sublime genius," as some termed it, the famous *tableau économique*. The remark of Mirabeau is well known: there have been three marvellous inventions in the world — the art of writing, the use of money, and the production of the *tableau économique*. The table was supposed to represent the distribution of national wealth according to Physiocratic ideas, and many of the commentators made of it a series of cabalistic mysteries. Probably because so few understood it, everybody was enthusiastic. It was looked upon as the Bible of the new school. Mothers taught it by rote to their children, and whoever had thoroughly mastered it was supposed to be a complete economist and statesman. And yet a repeated reading of it

must force on all the conclusion that this artificial enthusiasm was a ridiculous uproar made over a preposterous proposition.

The second point is a result of perusing Quesnay's work on China. Perhaps the most absurd of the Physiocratic doctrines was the endeavor to reconcile the immutable principles of natural liberty and equality with a defence of absolute paternalism in politics. The Physiocrats curiously enough agreed with the advocates of the German *Vielregiererei* or *Poli-zeistaat* in setting up China as their ideal. Nothing is more amusing than to hear, not only Quesnay, but his important followers like de la Rivière, Beaudeau, and le Trosne sing the praises of the absolute monarchy, and to note how they attempt to escape from the dilemma by asserting that the despotism must not be arbitrary, but a legal despotism in accord with the "natural and essential order" of society.

The third point refers to a phrase usually misunderstood by commentators, but whose import Oncken clearly perceives. I refer to the epithet "barren" or "sterile" as applied to commerce and industry. As one of the Physiocrats said later on: "The unproductive arts, far from being useless, constitute in a state the charm and maintenance of life, the preservation and happiness of mankind." In other words, industry and commerce are barren in opposition to productive, not barren in opposition to useful.

It must not be supposed, however, that these criticisms imply a disrespect of the Physiocratic doctrines. Modern economics owes much to Quesnay and Gournay. Physiocracy was a product of the cosmopolitan current which ran through France during the middle of the eighteenth century, and which found its expression in politics and philosophy, as well as in economics. The Mercantilists had laid stress on the national element, the Physiocrats emphasized the international, the universal view. The *ordre naturel* is to them the great law of justice, the ethical and social factors of prosperity. Whatever modern economists may think of "natural law," they must recognize that the Physiocrats did a good work in positing the demands of justice, as an ideal towards which to work, and in calling attention to the moral effects of economic institutions. The Physiocrats saw that political economy was not merely the "science of exchanges," but that it had in view a reconciliation of wealth with justice. Apart from their positive views in matters of production and taxation, the Physiocratic influence was great, and many of their fundamental propositions may be found in a slightly disguised form in the works of the great English economists who soon followed. Viewed from the historical standpoint the Physiocratic system was defensible, beneficial, and even necessary, even though from the purely critical standpoint of to-day we may regard some of their doctrines as exaggerated and untenable.

Dupont de Nemours was a pupil of Quesnay, but a man of far different character. He was the great popularizer of the Physiocratic tenets, and gave the school the name by which it is now known. M. Schelle does not attempt to reproduce all his works: that would be a stupendous undertaking, as appears from the mere list of his writings, which occupies thirty-three pages (pp. 399-432). M. Schelle has set himself the more modest task of outlining his hero's history and especially his activity as a legislator during the French revolution, showing that Dupont was always to be found on the side of sound doctrines. It is a familiar fact to Americans that the exiled Dupont sought an asylum and finally died in this country. His efforts to found a national university in the United States, comprising as one of its branches a school of political and social science, are perhaps less widely known. M. Schelle's book is based mainly on unpublished letters, *etc.*,—many of them in France but most of them still in this country. Dupont's descendants in Pennsylvania and Maryland still possess a vast mass of his correspondence, including letters from the most famous economists of the age. Some of the most interesting and valuable parts of the volume contain extracts from this correspondence, especially the letters of his life-long friend Turgot. Schelle states that he did not receive the permission to publish the correspondence; it is to be hoped that Dupont's descendants may soon recognize the propriety of publishing it in full, for it would undoubtedly throw much light on several dark corners of economic history and theory. M. Schelle has given us a capital book, and has moreover provided it with a valuable index.

Of all the Physiocrats Turgot is perhaps the most celebrated. The biographies hitherto published—those of Bathie, Mastier, Tissot and the recent work of Neymarck—have all been more or less unsatisfactory from the purely economic point of view. This little work of the eminent French economist and statesman Léon Say, which appears as one of the series of the *grands écrivains français*, is admirable in many respects. It does not of course pretend to be exhaustive; but it brings out very happily the salient features of each of Turgot's economic reforms, and gives a good bird's-eye view of his theories. Turgot is to the Frenchmen very much what Adam Smith is to us. They consider him the founder of the present political economy, the one who more firmly than anybody else broke with the mediæval system of restriction and laid down the guiding principles of our modern industrial life. And that is indeed true. The skeleton of Adam Smith's whole treatment of the production and distribution of wealth may be found in Turgot's *Essai sur la formation et distribution des richesses*. Numberless passages in the *Wealth of Nations* are literal excerpts from Turgot's other writings, while in some respects Turgot was absolutely correct where Adam

Smith was in the wrong. So, for example, in the matter of usury laws, which Adam Smith upheld but which Turgot completely demolished. Were the famous author of the "six great edicts" to be studied abroad as he deserves, many theories would be traced further back than they are at present. To Turgot we owe the first analysis of modern distribution into wages, profits and rent; to Turgot we owe the discussion of division of labor and the nature and employment of capital; in Turgot we find the iron law of wages, the great arguments against corn laws, the overthrow of the guild system, some of the fundamental principles of taxation, and a host of other important doctrines.

M. Say looks upon Turgot, all of whose reforms while minister were abolished after his disgrace, not as a failure but as a success. "If he failed in the eighteenth century, he has prevailed in the nineteenth." For M. Say correctly finds that the greatest bequest of Turgot to the present age is the principle of freedom of labor. But M. Say, like the true orthodox economists of whom he is so perfect a type, turns this principle into a weapon of attack on the "socialist" and the "liberal" or "radical" school of economics. The moral of M. Say's book, and perhaps the most interesting portion, is the contention that the "new schools" are weak when they pretend to find a cure for modern industrial disturbances in the suppression of freedom of labor. But he is forced to confess that Turgot made a mistake, or at all events did not adequately foresee the future, in prohibiting, together with the guilds, all labor combinations. And thus M. Say is brought to the quandary: How can freedom of labor be reconciled with freedom of association? Should not precautions be taken against the possible oppression of individuals by associations that are free to do anything? And with this quandary, from which he makes no attempt to extricate himself, M. Say closes his most attractive little book.

The dainty little volume by Mr. Anderson, in which we have for the first time an English account of Turgot's life and works, is a good translation. It is difficult to see, however, why *jurandes et maîtrises* are continually translated as trade-guilds, in lieu of the more common and more accurate craft-guilds. It would have been better, moreover, in using the words "right to labor" to explain the difference between the *droit de travail* and the *droit à travail*—always a fertile source of confusion to the uninitiated.

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